55200-1.15

Glossary of Related Terms

This glossary is intended as a supplementary document to augment several reports. Therefore, all the listed terms will probably not be on any one report, but all the underlined terms on any report will be in the glossary.

Assessed Valuation (School District): The value of all real and personal property subject to taxation in a school district. This value is equal to assessed valuation (municipality) when the school district is coterminous with the municipality. When the school district is not coterminous, the taxable valuation of the school district is adjusted between the net local assessed valuations of the adjacent towns or cities involved.

Assessed Valuation (Municipality): The value of all real and personal property subject to taxation in a municipality established annually by the selectmen or assessors.

Net Assessed Valuation: Assessed valuation less exemptions as provided by statute, such as for the blind and for veterans.

Assessed Valuation as Equalized: The net assessed valuation plus or minus an equalized amount, which will bring the taxable valuation into line with the existing market value of the property in the community.

Equalization Amount: An amount determined by the Department of Revenue Administration on the basis of data for the preceding year. This amount is intended to compensate for the fact that similar properties are locally appraised at much higher levels in some communities than in other communities.

Taxable Valuation: The same as net local assessed valuation except where school districts are not coterminous with municipal districts. In these cases, the taxable valuation of the school districts is adjusted between the net local assessed valuations of the adjacent towns or cities involved.

Coterminous: Having the same bounds or limits.

Total Equalized Valuation: The sum of

a) the taxable valuation
b) equalization amount
c) income from interest and dividends
d) equalized valuation of property exempted under provision of RSA 77-A for which payment in lieu of taxes is made by the State
e) payment in lieu of taxes
f) savings bank deposits
g) railroad stock, right of way and buildings
h) value of national bank stock

Long-Term Borrowing Capacity: The debt limit of a town, city or cooperative school district as enacted by the General Court.

The Municipal Finance Act, Chapter 33 RSA as amended by Chapter 57:14, Laws of 1970 restricts this limit to 7% of its latest locally assessed valuation of the municipality as last equalized by the Department of Revenue Administration, and shall include the equalized value of property formerly taxed pursuant to the provisions of RSA 72:7, 72:15, I, V, VII, IX, X, and XI; 72:16, 72:17, 73:26, 73:27, and 73:11 through 16 inclusive, all as amended, which were relieved from taxation by RSA 31-A, commonly referred to as the "business profits tax" legislation.

Long-Term Borrowing Capacity (continued)

The Cooperative School Districts Act, Chapter 195, RSA, as amended by Chapter 258, Laws of 1963 defines the debt limit of cooperative school districts as follows:

a) Districts organized for both elementary and secondary purposes - 10% of latest assessed valuation as equalized
b) Districts organized for elementary school purposes only - 5%
c) Districts organized for secondary school purposes only, grades 9-12 - 5%
d) Districts organized for secondary school purposes only, grades 7-12 - 6%
e) Partial cooperative district - sum of any pre-existing district's share of coop's long-term indebtedness and long-term indebtedness of that pre-existing district shall not exceed 10% of the latest assessed valuation as equalized of the pre-existing district.

Subsequent General Court action has created the following exceptions:

1967 -	Hanover	9.0%	1972 -	Amherst	10.0%
	Plymouth	9.0%			
			1973 -	Gilford	9.0%
1969 -	Milford	10.0%		Merrimack	9.0%
	Nashua	10.0%			
			1975 -	Londonderry	11.0%
1971 -	Bedford	9.0%			
	Pelham	12.0%			
	Windham	12.0%			

Base Valuation for Debt Limits: The assessed valuation as equalized plus an adjustment required by RSA 31-A:2 and RSA 71:11 V as amended. This adjustment is the equalized value of property formerly taxed pursuant to the provisions of RSA 72:7, 72:15, I, V, VII, IX, X and XI; 72;16, 72:17, 73:26, 73:27 and 73:11 through 16 inclusive, all as amended, which were relieved from taxation by the act commonly referred to as the "business profits tax" act of the 1970 special session of the General Court.

RSA - Chapter 31-A: "An act imposing a business profits tax, repealing certain taxes, providing transitional measures, revising the rate of certain taxes and providing for return of revenue to cities and towns;" enacted by the 1970 special session of the General Court, as amended, as determined under the provisions of RSA 72:11, V, as amended.

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